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Multi-year funding framework report on UNDP performance and results for 2007

Summary

The multi-year funding framework (MYFF), 2004-2007 (DP/2003/32), was approved at the second regular session 2003 of the Executive Board. The present document provides a concise report on the performance of UNDP in 2007, the last year of the MYFF cycle, as a complement to last year's cumulative MYFF report. The report contains an overview of the global UNDP portfolio, highlights key trends in demand and performance, and presents several illustrations of the nature of UNDP work on the ground during the year. Additionally, the report presents an update on the priority management activities of UNDP, as well as on its work in support of United Nations coordination. The report concludes with a review of income and expenditures for the year.

Elements of a decision

The Executive Board may wish to take note of and endorse the final report for the MYFF cycle, 2004-2007. Further, the Board may wish to acknowledge the progress made and steps being taken to shift to the new strategic plan.

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Introduction

1. In June 2007, UNDP presented to the Executive Board a cumulative report on performance for 2004 to 2006. The report provided a comprehensive analysis of performance, drawing on various evaluations and reports on the programme and operational activities of UNDP over the period, and included a detailed analysis of the cross-cutting 'drivers' of development effectiveness. The present report presents a concise analysis of performance for 2007.

2. The report has four chapters: Introduction; Programme portfolio analysis; Support to United Nations coordination; and Management and financial update.

I. Main findings and conclusions

3. In line with the 2007 Triennial Comprehensive Policy Review (TCPR), capacity development represents the overarching contribution of UNDP to programme countries to assist them in achieving their development priorities. Major initiatives were undertaken in 2007 to enhance the focus on capacity development. For example, UNDP revised its 'target for resource assignment from the core' (TRAC) criteria to focus primarily on national capacity development; approximately $800 million in TRAC-2 funds were released accordingly. Large global funds and regional programmes were revised or refocused to increase capacity development support; for example, many programmes in Latin America and Africa saw a shift from direct procurement to strengthening national procurement capacities. Emphasis on capacity development was reinforced through revised programming guidelines and training on the UNDP approach to national capacity development for staff and national counterparts.

4. Helping countries achieve the Millennium Development Goals remained an important area of work for UNDP in 2007. This is reflected in the number of country programmes working in that area and the level of support provided by UNDP on global efforts such as the 'MDG Africa Steering Group' initiative. Important new trends were observed in programme countries, such as the increasing number of UNDP offices partnering with governments and other stakeholders on fiscal policy and public finance issues in an effort to scale up the level of resources allocated to support achievement of the Goals.

5. From a governance perspective, there was a sharpening of focus to further attune programming to the Millennium Development Goals agenda. This is evidenced by the volume of programming geared at improving public sector capacity to improve delivery of services and the quality and responsiveness of national and subnational institutions.

6. While UNDP continued to lend support to countries engaged in elections, 2007 saw an important shift towards greater support for strengthening electoral capacities in inter-electoral periods. This bolsters the efforts of countries seeking to strengthen democracy, and counters the risk of democratic reversals such as those observed in many parts of the world in 2007.

7. The launch of the joint Poverty-Environment Initiative in 2007 signals the intention of UNDP to link these two programme branches more effectively and to develop a more effective partnership with the United Nations Environment Programme (UNEP). The launch of the 'MDG Carbon Facility' in June 2007 is

another example of the environment and energy programming of UNDP, which is increasingly aimed at helping countries gain access to vital resources for sustainable development and poverty reduction initiatives.

8. In 2007 UNDP laid important ground work for the scaling up of climate change programming. Following the launch of its 2007 Human Development Report on climate change, and its high-level participation in the Bali Convention, UNDP secured sizable funding and commitments from a number of donors to support expanded programming in this area. Special emphasis is being placed on the least developed countries.

9. In relation to crisis prevention and recovery, the foundations were set for two of the priority themes selected by the Executive Board, namely, (a) promotion of gender equality and women's empowerment in crisis prevention and recovery situations, and (b) strengthening the role of UNDP role in early recovery. An important example of the former, the work of UNDP in Darfur, is summarized in chapter II of this report, together with an update on the development of a new corporate policy on early recovery.

10. Over the course of 2007 UNDP started to shift to a more effective balance between HIV/AIDS-focused work and the integration of HIV/AIDS into other core practices such as governance, poverty and crisis prevention and recovery.

11. More generally, the present report reveals an improvement in cross-practice collaboration and a deeper integration of cross-cutting themes. This is evident in the gender-crisis prevention and recovery work in countries such as Sudan; in the capacity development-governance work in Europe and the Commonwealth of Independent States (CIS); and in the poverty-environment partnership approaches supporting countries in Africa and Asia.

12. Effective collaboration is also a theme in UNDP engagement with its United Nations and other partners. In 2007 UNDP strengthened its role as a key global development partner through its work on the Millennium Development Goals Africa Steering Group and with the Group of 20 finance ministers on fiscal policy, through global collaboration with organizations such as the World Bank, the United Nations Children's Fund, the International Labour Organization and UNEP, as well as with private sector and civil society organizations.

13. UNDP utilized South-South, East-East and other forms of cooperation as means of providing relevant, innovative and practical solutions to development challenges. South-South cooperation was a preferred cooperation mechanism in much of the UNDP support to countries on issues such as the Millennium Development Goals, trade and HIV/AIDS in 2007. With the evaluation of the UNDP contribution to South-South cooperation now complete, UNDP is looking at an ambitious programme to promote South-South cooperation in its programmatic work for 2008-2011.

14. The assessment highlights the important groundwork being laid for the new programme cycle. It also points to challenges that remain. These include the need to further improve security risk management, and to strengthen UNDP systems of accountability. On the programmatic side, much more needs to be done in areas such as gender mainstreaming, developing capacity for faster, more effective responses to disasters, and integrating the lessons learned from evaluations into new and existing programmes. The present report includes updates on some of the measures being taken to address these and other challenges.

II. Analysis of the programme portfolio

15. A review of the programme portfolio for 2007 reveals the following key findings:

(a) Poverty and governance continue to be the areas of largest country demand for UNDP support, together accounting for almost 75 per cent of expenditure.

(b) Total programme expenditure for 2007 was $3.793 billion. Of that amount, country programme expenditures amounted to $3.445 billion (91 per cent), the remaining $348.6 million spent on global and regional programmes.

(c) Four of the 30 UNDP service lines accounted for almost 45 per cent of total country programme expenditure in 2007. Those were public administration and anti-corruption (governance), 19 per cent; recovery, 7 per cent; local poverty initiatives, including microfinance, 12.5 per cent; and pro-poor policy reform to achieve Millennium Development Goal targets, 6.5 per cent.

(d) With regard to regular resources, Africa, with 39 per cent, accounted for the majority of programme expenditure. When regular and other resources are combined, Latin America and the Caribbean (34 per cent) continues to have the highest overall expenditures, reflecting the significant amounts of locally mobilized other (non-core) resources.

(e) Country offices continue to report a high rate of achievement of their programme targets. Overall, 57 per cent of output targets were fully achieved, 40 per cent were partially achieved, and 3 per cent were not achieved.[1]

Table 1. Distribution of programming activity

Practice	# of countries	% of expenditure
Poverty	133	34%
Governance	130	39%
Environment and energy	118	10%
Crisis prevention and recovery	83	14%
HIV/AIDS	94	3%

[1] Outputs that are over 50 per cent complete are considered partially achieved.

Figure 1. 2007 country programme expenditure, by practice

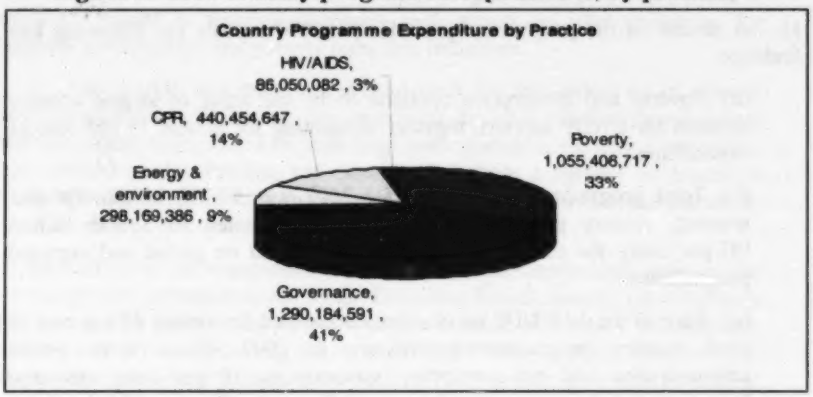

Country Programme Expenditure by Practice
HIV/AIDS, 86,050,082 , 3%
CPR, 440,454,647 , 14%
Energy & environment , 298,169,386 , 9%
Poverty, 1,055,406,717 , 33%
Governance, 1,290,184,591 , 41%

Figure 2. Distribution of regular expenditure, by region

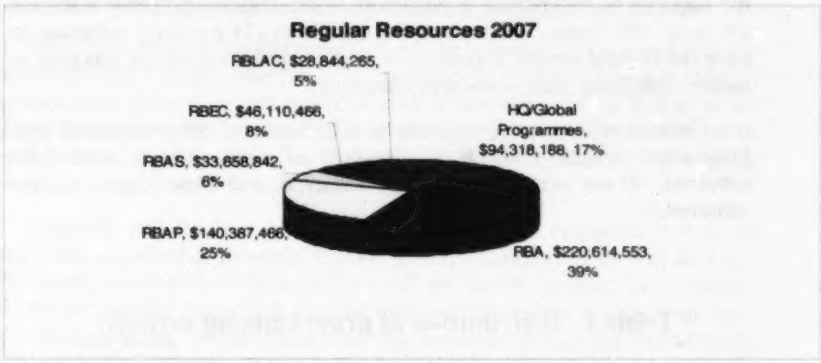


Figure 3. Distribution of total expenditure, by region

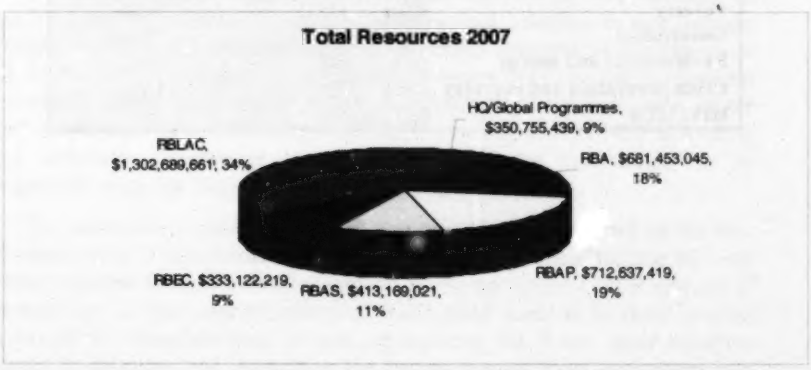
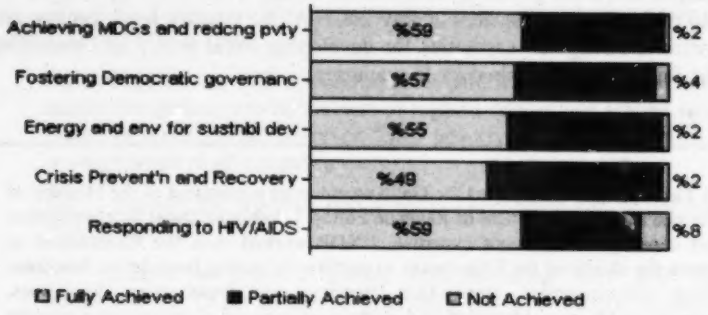


Figure 4. Rate of achievement of targets, by practice (2007)



A. Poverty

16. In 2007, the work of UNDP on poverty remained centred on helping countries achieve the Millennium Development Goals. Focus was placed on important global initiatives aimed at ramping up international support to developing countries, particularly the least developed countries (LDCs). UNDP supported the office of the Secretary-General in setting up and managing the Millennium Development Goals Africa Steering Group, bringing together the heads of all major multilateral organizations to identify the practical steps needed to achieve the MDGs in Africa. As part of the strengthened collaboration with the World Bank, the MDG Support team of the Poverty Group participated in the World Bank Africa Vice-Presidency management retreat in October 2007. UNDP also initiated and supported the first briefing of the United Nations Policy Committee on the MDGs, which resulted in more ambitious and coherent United Nations support for the Goals. Important work on prioritizing the MDGs in national and local development planning was also undertaken in a number of countries. The case of Mali cited below is illustrative of the type of work UNDP is supporting on the ground.

Box 1.

The Government of **Mali** completed its second generation poverty reduction strategy, *Cadre stratégique pour la croissance et la réduction de la pauvreté, 2007-2011,* at the end of 2006 with support from the Millennium Development Goals support team. In late 2006, the government team responsible for preparing the *Cadre* estimated human resource, infrastructure, and financing needs by sector (e.g., education, gender, agriculture) drawing on needs-assessment tools developed by UNDP. Each assessment was adapted to the specific needs of Mali. For example, the education assessment included elements of non-formal and professional and technical education. While some sectors had successfully adapted the models to the country context, others, such as agriculture, required more attention. To that end, in July UNDP invited a team of statisticians and economists from Benin, who were familiar with the needs assessment methodology, to work with the government of Mali on finalizing the needs assessment.

A validation workshop of the results of these exercises and the *Plan décennal* took place with UNDP support in October 2007, bringing together sector specialists from civil society, government and donors for discussions. Government officials are working on a macroeconomic framework for 2008-2012. These processes have helped to align the overall government strategy and macro-economic framework with the Millennium Development Goals, and the financing needs for the *Cadre* are in line with the commitments made at the G-8 Summit in July 2005.

17. UNDP worked on the scaling up of global and national resources allocated to achieving the Millennium Development Goals. Considerable collaborative policy work was done on expanding fiscal space for human development. At the global level, elements of that work were approval by the Group of 20 finance ministers in July 2007. At the country level, programme activities to strengthen capacities for developing fiscal policy and managing public finance continued in over 15 countries.

Box 2.

In **Turkey**, UNDP supported the Government in an assessment of the Ministry of Finance and its Department of Revenue Policy. Combining fiscal decentralization and capacity development expertise, UNDP worked with the Government to assess the ability of the Department to perform its policy formulation functions. Using self-assessment, face-to-face interviews and focus group discussions, capacity needs were identified and a series of capacity development responses were generated, focusing on results-based management, human resource policies and technical skills building.

18. UNDP sharpened its focus on fostering inclusive globalization by providing capacity development support to 40 LDCs within the Integrated Framework for Trade-related Technical Assistance. Regional programmes in Africa, the Arab States and Asia focused on strengthening the linkages between trade, poverty reduction and human development. In Bangladesh, Cambodia, Laos and Nepal, analyses of the impact of trade liberalization were undertaken, with particular emphasis on the fiscal impact of liberalization and the phasing out of World Trade Organization Multifibre Arrangement quotas on textiles and clothing. Other global initiatives, such as the Landlocked Developing Countries (LLDCs) Initiative and the Global Initiative on Commodities focused on raising awareness and finding solutions for the challenges faced by LLDCs and commodity dependent countries.

Box 3.

Greater reliance on South-South cooperation is critical to the success of UNDP efforts to support countries in reducing poverty and achieving the Millennium Development Goals. In 2007 UNDP programming contained clear examples of the value of South-South cooperation. For example, the *International Poverty Center* has supported comparative studies in selected countries in Latin America and Sub-Saharan Africa, on the impact of cash transfers on poverty and inequality, and has undertaken extensive collaborative work with national partners on fiscal, monetary and financial policies and the provision of public services. This work is stimulating a wide-ranging debate on the issues, in the process helping to expand the policy choices of many of the developing countries involved.

19. As part of its work with middle-income countries, UNDP supported the new members of the European Union in becoming more active, effective participants in global partnerships for development. UNDP helped develop the capacities of national institutions to programme and deliver aid. It also provided assistance for them to undertake Millennium Development Goals

public awareness campaigns and parliamentary discussions to sensitize the public to the new role of the countries as donors and the urgency of development cooperation to achieve global objectives.

20. The table below provides an overview of the programming undertaken within the practice in 2007.

(a) Support for MDG Achievement and related MDG monitoring initiatives continues to be the area of highest demand for UNDP support. Based on expenditure, however, local poverty initiatives accounted for the highest share of expenditure.

(b) Support for pro-poor policy reform accounted for 22 per cent of expenditure.

(c) Efforts to promote gender mainstreaming were also strong, accounting for 13 per cent of programming and 8 per cent of expenditure.

Table 2. Achieving the Millennium Development Goals and reducing human poverty

Service line	Expenditure ($)	% of practice expenditure	% of practice outcomes
MDG country reporting and poverty monitoring	171,706,149	16%	29%
Pro-poor policy reform to achieve MDG targets	229,445,735	22%	12%
Local poverty initiatives, including microfinance	424,050,327	41%	18%
Globalization benefiting the poor	34,950,400	3%	10%
Private sector development	29,117,232	3%	8%
Gender mainstreaming	85,430,422	8%	13%
Civil society empowerment	25,326,573	2%	6%
'ICT4D' for the poor	41,408,111	4%	4%
Total	**1,041,434,950**	**100%**	**100%**

B. Governance

21. UNDP is one of the largest providers of governance technical cooperation globally. Most expenditure involves non-core resources, with an average of 43 per cent generated at the country level. Public administration reform was a substantial area of work in 2007, and, in response to country demand, UNDP support shifted emphasis from traditional technical advice in public administration (focused mainly on professionalizing the civil service and introducing merit-based systems) to capacity development support for combating corruption, encouraging transparency and strengthening post-conflict governance mechanisms. The urgency of achieving the Millennium Development Goals has helped renew interest in strengthening state capacity to deliver services and has sharpened the focus on the quality, responsiveness,

accountability and transparency of the public sector to manage the delivery of goods and services to the poor.

22. Decentralization and local governance was a related area of high priority. The key contribution of UNDP was to develop the capacities of local governance actors, in particular for policy formulation, implementation and review, service delivery and resource management in about 25 countries, including through joint programmes with the United Nations Capital Development Fund. Box 4, below, provides an example of the type of cross-practice work undertaken.

Box 4

While disasters happen at the community level, the response of government, limited by scarce resources and low capacity, is often managed from the national level. Yet local leadership and the ability to identify threats, seek local solutions and engage in prevention are crucial factors in effective risk management. Identifying this critical gap, a 2006 Democratic Governance Thematic Trust Fund project sought to increase local capacity by incorporating disaster management issues into local governance in 10 selected villages in **Kyrgyzstan**. This approach has been innovative not only for Kyrgyzstan, but for the entire region, where decentralization processes are still in their early stages. The activities supported by this project included risk-mapping conducted in a participatory manner at the community level, which later fed into the development of disaster risk maps at the district and national levels; the establishment of voluntary village rescue teams; and the training of local authorities and populations in community-based response to disasters.

Although initially uncertain about the merits of the bottom-up approach to disaster management, the national Government has now adapted the project methodology and achievements to other parts of the country, with support from other donors attracted by the success of the above activities. The methodology applied for this project is considered a 'best practice' by the Bureau for Crisis Prevention and Recovery and has been presented at numerous international conferences.

23. Strengthening the foundations for democracy was another important theme in 2007, and UNDP, in response to country demand, supported a range of programmes addressing capacities for parliamentary development, electoral systems, democratic dialogue, leadership development and policy formulation for democratic governance. An important shift in the work of UNDP was made in the area of electoral support, which saw a scaling-down of major electoral assistance projects in the Democratic Republic of Congo and Iraq, combined with a scaling-up of inter-electoral capacity development work in other countries. This included such work as building professional institutions (Rwanda); developing effective legal frameworks (Lebanon); and brokering South-South cooperation in electoral management (Mexico).

Box 5.

The August 2007 elections for a new President and Parliament were the second national elections since the end of 10 years of civil war in **Sierra Leone**, and the first where the national electoral management body would be in the lead, without the supervision and major logistical support of the international community and United Nations peacekeepers.

Following the 2002 elections, UNDP worked with the Sierra Leonean National Electoral Commission on its strategic plan and a 7-step reform process. However, as early as two years before the anticipated 2007 elections, the shift was made to designing and providing advisory and operational planning support to the Electoral Commission in administering the elections. This included a package of integrated United Nations support, drawing on various parts of the United Nations system but most notably delivered as technical advisory services of UNDP and the United Nations Integrated Office in Sierra Leone. UNDP coordinated a basket fund of approximately $40 million on behalf of donors seeking to support the electoral process.

Another key component of United Nations support was directed at the Political Parties Registration Commission and intended to strengthen the capacity of political parties and the Registration Commission to anticipate and respond to conflict and crisis, work effectively in diverse political environments, defuse conflict, and provide conflict resolution tools and techniques. The initiative was part of the United Nations Electoral Reform Project, which sought to develop institutional capacity in Sierra Leone to ensure the delivery of fair and free elections in 2007-2008 and beyond.

International and domestic observers noted that the Sierra Leone electoral process was open and genuine, and praised the professionalism demonstrated by the National Electoral Commission. Following the peaceful conduct of the polls, UNDP conducted a lessons-learning exercise that pointed towards continued engagement with the Commission to help it build on its current capacity to administer elections and inform the electorate with less external assistance in the future.

24. Finally, work on Justice and Human Rights remained important in 2007 as UNDP, at the request of 74 governments and often in collaboration with other bilateral partners, supported national capacity development efforts aimed at strengthening the rule of law and promoting and protecting the rights of citizens.

25. Below are some of the data highlights for 2007:

(a) With 51 per cent of expenditure, 'public administration reform and anti-corruption' was the area of highest overall expenditure in 2007. As in previous years, only approximately 5 per cent of the resources spent on Public Administration Reform came from regular resources.

(b) There was a 36 per cent decline in resources spent on 'policy support for democratic governance'.

(c) 'Electoral systems and processes' accounted for 18 per cent of overall expenditure between 2004 and 2007, due largely to a few specific election projects. In 2007 the figure fell significantly but remained high.

Table 3. Fostering democratic governance			
Service line	**Expenditure**	**% of practice expenditure**	**% of practice outcomes**
Policy support for democratic governance	154,775,817	13%	20%
Parliamentary development	19,936,343	2%	8%
Electoral systems and processes	100,336,328	8%	7%
Justice and human rights	132,075,374	11%	22%
E-governance and access to information	16,942,073	1%	4%
Decentralization, local governance and urban/rural development	178,481,315	15%	21%
Public administration reform and anti-corruption	618,023,463	51%	19%
Total	**1,220,570,713**	**100%**	**101%**

C. Environment and energy

26. UNDP environment and energy work passed four major milestones in 2007. First, UNDP and UNEP launched the joint Poverty-Environment Initiative, representing a significant example of concrete collaboration through joint programming mechanisms between the two organizations. Both have long recognized the links between fighting poverty and protecting the environment, and each has supported programmes to help developing countries integrate sound environment management into their poverty reduction strategies. The launch of the initiative has provided both organizations with additional opportunities to promote that agenda. Based on experience over the past few years in assisting seven countries in Africa to mainstream poverty-environment concerns into national development plans, UNDP and UNEP have laid the groundwork to scale up this effort considerably in the coming years. The joint initiative is valued at $33 million over five years and is supporting a selected number of countries in Africa, Asia and Latin America. Work has already begun in countries such as Bhutan, Laos, Malawi, Mali, Tanzania, Uganda and Viet Nam.

27. Second, UNDP marked the operational launch of the 'MDG Carbon Facility', which is an innovative means of harnessing the vast resources of the carbon market to bring long-term sustainable development to a more diverse share of developing countries (until now, most of those resources have gone to a handful of large or middle-income countries).

Box 6.

The MDG Carbon Facility is being undertaken through an agreement with the banking and insurance company Fortis, which will provide comprehensive financial services to the programme. Under the terms of the partnership, UNDP supports countries in developing projects designed to reduce greenhouse gas emissions, ensuring that the relevant projects meet Kyoto Protocol standards and deliver real, sustainable benefits to the environment and broader human development. Fortis has agreed to purchase and resell the emissions-reduction credits generated by these projects. The proceeds from Fortis purchases will provide developing countries and communities with a new flow of resources to finance much-needed investment and to promote development.

The Carbon Facility operates within the framework of the Clean Development Mechanism (CDM), which has been at the center of a rapidly expanding, billion-dollar international market for carbon credits. Unfortunately, the CDM has not yielded the broad-based development benefits that many hoped it would. The Carbon Facility is addressing these limitations by expanding CDM presence into countries and regions previously considered inaccessible to carbon finance. The partnership between UNDP and Fortis covers an initial pipeline of projects that will generate 15 million 'certified emission reduction credits' during the first commitment period (2008-2012) of the Kyoto Protocol. Projects are under development in **Macedonia, Rwanda, Uzbekistan** and **Yemen,** with many more to follow.

28. Third, in September 2007 UNDP marked the 20th anniversary of the Montreal Protocol on Substances that Deplete the Ozone Layer. The Montreal Protocol has provided the foundation on which the production and consumption of more than 95 per cent of ozone-depleting substances has been cut over the past 20 years. With financial assistance from the Multilateral Fund for the Implementation of the Montreal Protocol, UNDP has assisted more than 100 countries in phasing out over 63,000 tonnes of ozone-depleting substances.

29. In recognition of the assistance that UNDP has provided to developing, the organization and individual staff members received implementing agency awards on the occasion of the 20th Anniversary of the Montreal Protocol. UNDP will continue to play a key role in the effort to assist developing countries in meeting their compliance targets under the Montreal Protocol and will support them in their efforts to manage the disposal of unwanted ozone-depleting substances, as well as other chemicals that pose a threat to environmental and human health.

30. Finally, in November, UNDP launched the *Human Development Report 2007* on the subject of climate change, and followed up, in December with high-level participation in the 13th Conference of the Parties to the United Nations Framework Convention on Climate Change in Bali.

31. The *Human Development Report* noted that regions with the smallest carbon emissions will be those hardest hit by climate change. Taking that message to Bali, UNDP continued to advocate for the needs of least developed

countries and the role of the United Nations in helping them adapt to climate change. The UNDP Environment and Energy Group has launched a major initiative to mainstream climate change risk into UNDP programmes, support governments in 'climate-proofing' their development plans, and help ensure that the interests of the most vulnerable countries and people are reflected in the negotiations leading up to final design of the post-Kyoto climate change regime. With funding from Norway, Denmark, and Spain, through the 'MDG Achievement Fund', and with significant funding commitments from other key donors on the horizon, UNDP is well positioned to take up this challenge in 2008 and beyond.

32. Below are some data highlights for the practice for 2007.

(a) Work on Frameworks and Strategies for Sustainable Development accounted for 44 percent of expenditure. This is above the average for the MYFF period and indicates a growing demand for support in this area.

(b) Three of the six areas of work in the practice accounted for 83 per cent of expenditure in 2007.

Table 4. Energy and environment for sustainable development

Service line	Expenditure	% of practice expenditure	% of practice outcomes
Frameworks and strategies for sustainable development	126,021,352	42%	35%
Effective water governance	17,322,300	6%	6%
Access to sustainable energy services	52,889,152	18%	21%
Sustainable land management to combat desertification and land degradation	26,038,539	9%	11%
Conservation and sustainable use of biodiversity	62,849,875	21%	19%
National/sectoral policy and planning to control emissions of ozone-depleting substances and persistent organic pollutants	12,264,912	4%	8%
Total	**297,386,131**	**100%**	**100%**

D. Crisis prevention and recovery

33. Responding to previous evaluations, UNDP intensified its efforts in 2007 to integrate gender equality and women's empowerment into its crisis prevention and recovery work. This was partly in response to the new gender equality strategy, which has begun to lay out the internal processes and steps needed for better integration of gender and women's empowerment concerns into all the practice areas. The experience of Sudan, illustrated in box 7, below, provides a good example of the potential of this work.

Box 7.

The UNDP initiative 'Rule of Law/Access to Justice for Sexual and Gender-Based Violence Victims in **Darfur**' has been successful in strengthening the legal prevention and response mechanism for the victims, which, in turn, contributes to the empowerment of Darfurian women. During 2007, legal aid lawyers have taken on 550 individual cases, including numerous rapes, murder convictions, acquittals of women charged with adultery (*zina*), forced marriages, and the release of people held in arbitrary detention. One-third of the 2007 legal aid cases were related to sexual and gender-based violence, most of them brought by internally displaced persons in the camps, and other vulnerable groups. In 2007, the legal aid lawyers have forced a number of important breakthroughs, including the dismissal of cases by the Attorney-General's Office because of a lack of evidence against accused women, the lifting of immunity of government officials, and the admissibility of parole evidence. The notion of providing legal aid to sexual and gender-based violence survivors has become far more acceptable to the local authorities. For instance, the Attorney General's Office in Nyala, the capital of South Darfur, has actually requested UNDP to allow them to refer cases to the legal aid lawyers directly.

34. In 2007, a corporate policy on early recovery was developed to clarify the responsibilities of UNDP associated with its operational and programmatic roles in early recovery at the global and country levels. After an inclusive process of consultation with different actors, including United Nations and non-United Nations organizations under the umbrella of the Inter-Agency Standing Committee Cluster Working Group on Early Recovery, the policy is being presented for approval in early 2008. While working on the policy, the focus in 2007 was also on implementation at the country level. In Bangladesh, for example, UNDP was the leading agency for the Early Recovery Cluster Coordination Group established to address the early recovery needs caused by the super-cyclone Sidr in November 2007. UNDP worked closely with the Government of Bangladesh and United Nations partners to conduct a needs assessment and develop a national early-recovery implementation plan to set up immediate projects for up to twelve months after the disaster. The leading role of UNDP in the early recovery effort not only helped the Government to enhance its capacities, but also helped the international community in its response to the effects of cyclone Sider.

35. Disaster risk reduction featured prominently on the crisis prevention and recovery agenda of UNDP for 2007, as signalled by the June 2007 launch of the Global Risk Identification Programme (GRIP). Following the launch, UNDP helped initiate approximately fifty projects, including the first risk assessment projects in Chile, Nepal and Peru. Those projects have been implemented to fulfil the five outcome areas. First, in order to enhance the capacity development platform to support risk assessment at any level, the GRIP portal was launched (a 'GRIP toolbox' for risk assessment is being developed). Second, the 'national disaster-loss data observations' initiative was launched in Africa, Asia and Latin America to improve information on disaster losses and learn from past disasters. Third, to support decision-making processes, risk analyses were conducted in high-risk countries, including Chile,

Mexico, Mozambique, Nepal and Peru. Fourth, demonstration projects in priority countries were implemented in Mozambique and Sri Lanka to establish a national disaster-loss data observatory, prepare a national disaster-risk information system, and to articulate a national disaster-risk reduction strategy. Finally, GRIP is preparing a global risk update; the first publication is expected to be produced by June 2009.

36. In the area of post-conflict recovery UNDP continued to provide support to 33 programme countries where experience has shown that programming requires a close engagement and policy dialogue with all national partners and a comprehensive approach, both at the national institutional level and at the community level.

37. The 2007 data on crisis prevention and recovery reveal that:

(a) Recovery accounted for 55 per cent of overall expenditure;

(b) Special initiatives for countries in transition experienced a significant reduction in expenditure, with 2 per cent of practice expenditure, compared to the 2007-2007 average of 22 per cent; and

(c) More countries were working on natural disaster reduction than on any other service line, though expenditure amounted to less than a third of what was spent on recovery.

Table 5. Crisis prevention and recovery

Service line	Expenditure	% of practice expenditure	% of practice outcomes
Conflict prevention and peace-building	58,860,898	13%	22%
Recovery	247,775,704	56%	26%
Small arms reduction, disarmament and demobilization	22,348,094	5%	9%
Mine action	27,492,924	6%	10%
Natural disaster reduction	77,171,984	17%	32%
Special initiatives for countries in transition	8,770,356	2%	1%
Total	**442,419,960**	**100%**	**100%**

E. HIV/AIDS

38. In 2007, the HIV/AIDS practice intensified efforts to meet its responsibility as a UNAIDS cosponsor and deliver on its lead areas: AIDS and development, governance, human rights and gender.

39. A key area of work was related to helping countries mainstream HIV/AIDS issues into poverty reduction strategy processes, national development plans and sector plans. UNDP is leading the implementation of a joint programme with the World Bank and the UNAIDS secretariat providing technical support and resources to assist countries in more effectively integrating HIV into the poverty reduction strategy papers – and their implementation modalities – in 25 countries to date. The case of Ghana, cited

below, gives an example of the results that this collaborative effort is beginning to yield.

Box 8.

In **Ghana**, the National Development Planning Commission, in collaboration with the Ghana AIDS Commission, provided capacity development and technical support to 33 ministries, departments and agencies to formulate sector medi n-term development plans that integrate AIDS. Similar activities were also carried out at the district level to facilitate the development of district monitoring and evaluation plans for the respective district medium-term development plans. The knowledge derived from the joint programme is being used to facilitate the mainstreaming of AIDS into the national long-term development plan, 2007-2015, focusing on achieving the Millennium Development Goals. Two national consultations – in agriculture and in industrialization – have taken place, with participation of more than 150 persons including farmers, academics, civil society organizations, professional bodies and development partners.

40. Joint efforts and partnership building were also key to the work of UNDP in addressing the stigma and discrimination faced by people living with HIV/AIDS. It is recognized that an effective campaign requires strong collaborative partnerships with the public, private and not-for profit sectors.

41. The Global Fund remains one of the most important partners for UNDP. Since its inception, the UNDP-Global Fund partnership has grown significantly. From managing a single $6.7 million grant from the Global Fund to Fight AIDS, Tuberculosis and Malaria in Haiti in 2002, UNDP is currently principal recipient for 63 grants in 26 countries totalling over $816 million for a two-year period and over $ 1.1 billion over the life of the grants (up to five years). UNDP provides financial and programmatic oversight for implementation of Global Fund grants in countries facing capacity constraints. UNDP has expanded its capacity development role and has provided technical support in an additional eight countries in the areas of project planning, sub-grant and contract administration, financial administration, procurement, and monitoring and evaluation.

Box 9.

In **Sudan,** UNAIDS estimates adult HIV/AIDS prevalence at 1.6 per cent and the risk of tuberculosis infection at 1.8 per cent; there are an estimated 7.5 million cases of malaria. The Global Fund grants for the northern states in Sudan total $90.2 million and grants for southern Sudan amount to $38.25 million.

As principal recipient, UNDP is working with various entities to help meet the objectives set for each disease. In the northern states, the Global Fund partnership provided HIV education for behavioural change to 84,059 young people. The programme established 24 sites that provide voluntary testing, counselling, and antiretroviral treatment. A total of 1,952 people living with HIV/AIDS were treated for opportunistic infections and 13,569 for sexually transmitted infections. In southern Sudan, the Global Fund partnership provided treatment for 232,038 patients with uncomplicated malaria and 11,212 patients with severe malaria. In addition, 1,399 people were trained in intermittent preventative treatment against malaria. Thanks to the partnership, 18 tuberculosis units were set up to provide treatment. Some 1,388 new cases were detected under the 'Directly Observed Treatment, Short-course (DOTS) programme and 598 cases were successfully treated. Close to 600 community health workers were trained to support DOTS. UNDP with all stakeholders initiated the development of the national strategic framework for HIV/AIDS, which will be finalized in early 2008. Studies are under way to map out the action required for an intensified response to HIV/AIDS.

42. Below are some data highlights for 2007:

(a) The number of countries reporting on HIV/AIDS increased to 94 out of 139 countries. Africa represents the highest number of countries reporting, with 42 countries, followed by Asia and Europe and the CIS, with 16 each, Latin America, 15, and the Arab States, seven.

(b) A significant amount of programming was in support of efforts in the eight hyper-endemic countries (Botswana, Lesotho, Mozambique, Namibia, South Africa, Swaziland, Zambia and Zimbabwe).

Table 6. HIV/AIDS

Service line	Expenditure	% of practice expenditure	% of practice outcomes
HIV/AIDS and human development	44,068,556	54%	43%
Governance of HIV/AIDS responses	26,637,168	32%	38%
HIV/AIDS, human rights and gender	11,463,389	14%	19%
Total	**82,169,113**	**100%**	**100%**

F. Gender

43. The number of countries and regional programmes reporting activities under the gender service line increased from 43 in 2006 to 58 in 2007. Most programmes focused on supporting the adoption of pro-poor and pro-women growth policies and establishing gender-sensitive budgeting to track resources allocated for gender-sensitive Millennium Development Goals targets. Progress was made in developing gender mainstreaming guidelines and gender budget audits (Democratic Republic of the Congo, Mozambique and Nepal) followed by sensitization programmes and trainings of district planners, parliamentarians and local governmental representatives. In Pakistan, for example, achievements included the implementation of gender budget statements at the national and local levels and the development of tools such as gender-aware policy appraisals and gender-aware beneficiary assessments.

44. A significant amount of programming in 2007 focused on strengthening women's leadership capacities, particularly the capacities of women parliamentarians and elected representatives at the local level. For example, in the Democratic Republic of Congo, 140 parliamentarians were trained in gender budgeting. In addition, by strengthening the capacity of local government and women representatives to incorporate gender into national-level policies, gender equality concepts have been integrated into legislation and programmes in some countries. For example, in Sierra Leone, trainings resulted in the enactment of three gender bills; Montenegro adopted new gender equality legislation. Gender monitoring bodies such as parliamentary forums (Egypt) and a national coalition of women's organizations (Turkey) were established in 2007 and have made a substantive contribution to legislative reform and national debate on gender equality. Some of the achievements can be attributed to the 'Gender Mainstreaming Initiative', a global effort that allocated funding to 50 countries to strengthen their capacities to mainstream gender. The efforts have increased the demand for further programming on gender equality and women's empowerment.

45. The lead role assumed by UNDP in national HDRs and the Millennium Development Goals has been critical in bringing gender perspectives into policy instruments, especially in monitoring and reporting progress on gender equality. For example, the national HDR 2007 of Azerbaijan was on gender attitudes and included policy recommendations aimed at achieving greater gender equality. In China, local women leaders and gender experts were supported to engage the government in multi-stakeholder policy dialogues on gender equality and effective implementation of the recommendations contained in the Convention on the Elimination of all forms of Discrimination against Women.

46. Consistent programming and policy advice to country offices, a strengthened gender community of practice, and the development of knowledge products have been vital for the achievement of gender equality. Inter-organization collaboration is the cornerstone of the gender 'window' of the 'MDG Achievement Fund', which is financing 13 projects on gender equality and women's empowerment, totalling approximately $102 million, for the period 2007-2010. In addition, in 2007 UNDP embarked on the development of a new UNDP corporate gender equality strategy (2008-2011), which complements and gives depth to the UNDP strategic plan, 2008-2011, by establishing a framework for integrating gender equality and women's

empowerment into all the UNDP focus areas and ensuring institutional accountability for realizing those results.

III. Support to United Nations coordination

47. The pilot resident coordinator appraisal system, introduced in 2006, has been revised. The emerging consensus is that United Nations system development activities can best be improved when 'team performance' of the resident coordinator and the United Nations country team members are assessed qualitatively by the participating United Nations organizations in the Regional Directors Team, and when peer feedback is obtained (180-degree assessment) to identify strengths and areas for improvement. The modified resident coordinator appraisal system, to be released during the first quarter of 2008, has been designed to facilitate this approach.

48. UNDP started deploying country directors in 2004 in line with the 2004 TCPR. By the end of 2007, there were 40 country directors in place. In August 2006, the first corporate 'country director guidance note' was issued to facilitate the coherent application of the model across the organization. The 2007 TCPR resolution acknowledged the importance of the model in enabling the RC to commit fully to United Nations system coordination and to enable UNDP to continue its core functions, including resource mobilization.

49. In 2007, further efforts were made to ensure that the technical expertise of non-resident and specialized agencies, funds and programmes are integrated more fully into United Nations country programming, in line with national priorities and development strategies. UNDP, in close cooperation with the United Nations Development Group working group on non-resident entities, provided financial support to permit the deployment of coordination analysts who will support the involvement of non-resident entities in 14 countries, including the eight 'delivering as one' pilots and the six countries developing new United Nations Development Assistance Frameworks.

50. The implementation of the Harmonized Approach to Cash Transfer (HACT), pursuant of the Paris Declaration on Aid Effectiveness, has now started in over 120 countries. Efforts were initiated for the harmonized approach to be adopted by the specialized agencies to the extent that it may be applicable to their activities at the country level. The initial feedback from the countries that started implementing the approach in 2007 suggests that it provides an effective planning and monitoring tool for their national counterparts.

51. In 2007 the United Nations Secretariat and the executive committee agencies embarked on seminal harmonization and simplification work, and completed an initial draft of harmonized financial regulations and rules.

52. A United Nations system-wide effort is underway to develop accounting policies that are compliant with International Public Sector Accounting Standards. UNDP is a key participant in this effort and, by the end of 2007, actively contributed to the finalization of 20 accounting policy recommendations.

IV. Management and financial update

A. Organizational effectiveness

52. In 2007, further enhancements were introduced to the corporate results-based management system, integrating various performance management tools. UNDP worked on strengthening its accountability framework to coincide with the launch of its new strategic plan. The goal of the accountability framework is to empower, equip and enable managers in UNDP to work towards meeting the stated results in a manner that meets the desired standards of accountability and transparency. The accountability framework will sharpen and shift the focus from mere compliance to accountability for results.

53. The top 15 management priorities presented to the Executive Board in January 2007 represent the continuing UNDP commitment to strengthening accountability and the response to audit recommendations within the overall accountability system. Progress in terms of audit implementation and key management initiatives intended to address systemic audit issues is monitored regularly by the Operations Group, chaired by the Associate Administrator. An audit accountability matrix is used to clarify the responsibilities and accountability of managers in the country offices as well as in regional and headquarters bureaux in responding to these top 15 audit priorities.

54. Overall, there has been significant progress, particularly in (a) the reduction of financial impact associated with qualified national execution audit reports; (b) the reduction in the number of country offices not completing regular bank reconciliations; and (c) the strengthening of internal controls in the Atlas system. UNDP introduced key initiatives such as the staff professionalization programmes and the regional shared finance service centres. The service centres will help country offices that do not have sufficient capacity and competence for effective resource management by providing centralized expert and dedicated financial and other operational functions to support those offices.

55. UNDP continued investing in additional protective measures and improving compliance with the minimum operating security standards in programme countries and at all headquarters locations. Due to the sharp increase in global threat levels, an aggressive programme is under way to increase compliance with the standards by 10 per cent each year. Increasingly, and even more so since the Algiers tragedy, more attention is being paid to improving security risk management of all UNDP operations, including safe programme delivery. The demand for targeted advisory support to programme countries warranted the deployment of UNDP field security advisers in a number of countries to assist with security standards compliance, security risk assessments, and evaluations of new premises. In addition, three dedicated region-based regional security advisers were recruited for Africa, the Arab States, and Asia and the Pacific. This specialized security support supplemented the United Nations Department of Safety and Security (UNDSS) presence, and provided a UNDP-specific context for the implementation of security measures. UNDSS capacity has also grown in terms of the number of security personnel engaged in programme countries, with the accompanying portion of the UNDSS budget administered by UNDP planned to increase to $132.4 million for the 2008-2009 biennium.

56. The ethics training programme was formulated and is ready for roll-out in 2008. The financial disclosure policy was implemented in accordance with General Assembly Resolution. For the first year, the accomplishment rate of UNDP was 98 per cent. The financial disclosure policy is facilitating increased transparency in UNDP procurement and investment activities.

57. In 2007 UNDP made further progress towards the gender balance target, as indicated in table 7, below:

Table 7. Gender distribution by category of job responsibility

Category	Total	Male	Male (%)	Female	%Female
Support staff	3798	1592	42%	2206	58%
Junior management	1912	1029	54%	883	46%
Middle management	1740	1127	65%	613	35%
Senior management	318	210	66%	108	34%
UNDP global workforce	7768	3958	51%	3810	49%

58. Over 7,500 colleagues participated in the 2007 Global Staff Survey, about the same as in 2006. The results show that overall morale in the organization remains very good, and indeed is at an all-time high at headquarters and regional units. Continued improvements were seen in responses to the question on discrimination and harassment.

B. Financial stewardship: income and expenditure

Income

C. Over the full MYFF period, overall income to UNDP in nominal terms exceeded the estimates contained in the MYFF 2004-2007 report (DP/2003/32) by more than 50 per cent. Against the MYFF income assumptions of $11.6 billion, UNDP realized actual income of approximately $17.5 billion.

D. Financial contributions break down into (a) regular or core resources, allocated according to appropriations and programming arrangements established by the Executive Board; (b) contributions from bilateral donors earmarked to specific themes, countries or activities – other, or 'non-core'; (c) multilateral and European Commission contributions earmarked to themes, countries or specific activities – other, or 'non-core'; and (d) local resources from a programme country that stay within that country – other, or non-core.

E. Voluntary contributions to UNDP regular resources (gross) continued their upward trend, surpassing annual MYFF targets in three of the four MYFF years. For 2007, regular resources increased to $1,117 billion, exceeding the annual MYFF target of $1.1 billion. For the 2004-2007 period as a whole, voluntary contributions to UNDP regular resources amounted to $3.9 billion in nominal terms, exceeding the $3.8 billion target.

F. The report of the Administrator on funding commitments to UNDP (DP/2008/24), which will be considered at this annual session 2008 of the

Executive Board, describes in more detail the overall state of contributions to UNDP in 2007.

Programme expenditures

G. The programme expenditures, by source of funding, are presented in table 7 (a more detailed table with expenditures by practice and service lines is presented in the annex to the present report, which may be found on the Executive Board web page). Programme expenditures totalled $14.3 billion, exceeding the 2004-2007 target of $10 billion. Programme expenditure in 2004-2007 included $2.1 billion funded from regular resources, which was spent primarily in least developed and low-income countries. Programme activities funded from other donor resources and local resources reached $7.3 billion and $4.9 billion, respectively (see annex).

H. A comparison of the programme expenditures in 2004-2007 with the 2004-2007 MYFF targets is provided in table 7. The regular resources-funded programme expenses, while below the MYFF target in total, reflect an annual upward trend, from $498 million in 2004 to an estimated $564 million in 2007.

Table 8. Programme expenses by source of funding (in $ millions)

Source of funding	2004-2007 MYFF target	2004-2007 expenses
Regular resources	$2,540	$2,143
Other donor resources	$3,746	$7,253
Other local resources	$3,756	$4,893

Biennial support budget, UNDP support, and United Nations coordination activities

I. Expenses in the categories of 'UNDP support' and 'support to operational activities of the United Nations' were above the respective targets. The higher nominal level of expenses in these two categories is a consequence of the sharp increases seen in programme expenses funded from 'other' resources, which caused UNDP support funded from those same funding sources to increase commensurately. This also reflects UNDP response to Executive Board direction to increase the share of UNDP support costs funded by 'other' resources. Factors such as the continuing weakening of the United States dollar, as well as increasing demands on UNDP to deliver on its dual role of providing development assistance and managing the resident coordination system, in addition to supporting to the operational activities of the United Nations system, also had an impact.

J. As shown in table 8, below, shows, UNDP support ratio at 10.8 per cent is below the 11.7 per cent target presented in the MYFF.

Table 9. UNDP support ratio (in $ millions)

Category	2004-2007 MYFF target	2004-2007 expenditure
Total UNDP support (a)	$1,380	$1,781
Total expenses (b)	$11,744	$16,411
UNDP support ratio (a : b)	11.7%	10.8%

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United Nations DP/2008/23/Add.1-DP/FPA/2008/5 (Part II)

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Annual report of the Executive Director

Annual report of the Administrator

Joint report of UNDP and UNFPA on the recommendations of the Joint Inspection Unit in 2007

Summary

In line with General Assembly resolution 59/267, the present report provides a synopsis of management comments on the recommendations of the Joint Inspection Unit (JIU). In 2007, JIU issued 10 reports. These comprised five organization-specific reports and five having cross-organizational impact. In line with the wishes of the Executive Board and the current United Nations emphasis on simplification and harmonization, the present report was prepared jointly by UNDP and UNFPA. It provides UNDP and UNFPA management responses to key recommendations of the JIU reports of specific relevance to those organizations.

Elements of a decision

The Executive Board may wish to take note of the present report, particularly those aspects of the JIU reports that have particular relevance to the work of UNDP and UNFPA.

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I. Overview of JIU reports issued in 2007

1. Of the 10 reports issued by the Joint Inspection Unit in 2007 (see list of reports, annex 1), five are specific to organizations other than UNDP and UNFPA; hence those recommendations are not reviewed in the present report. Of the five reports remaining, the report on liaison offices in the United Nations system (JIU/REP/2007/10) was relevant only to UNDP.

2. The five JIU reports that have direct relevance to UNDP and/or UNFPA included an analysis of the trends in voluntary funding and its impact on programme delivery and resource mobilization strategies (JIU/REP/2007/1); an assessment of staff medical coverage (JIU/REP/2007/2); and an examination of the age structure of staff across the United Nations system organizations (JIU/REP/2007/4) and liaison offices in the United Nations system (JIU/REP/2007/10). While neither UNDP nor UNFPA was among the organizations surveyed by JIU in preparation for the report on knowledge management in the United Nations system (JIU/REP/2007/6), comments have been provided based on their experience in that area.

II. Synopsis and review of relevant JIU reports and recommendations

3. The present chapter reviews the key recommendations of the five relevant reports issued by the JIU in 2007.

A. Voluntary contributions in United Nations system organizations: impact on programme delivery and resource mobilization strategies (JIU/REP/2007/1)

4. This report analyses recent trends in voluntary funding in United Nations system organizations; determines the impact of those trends on programme delivery; recommends measures to alleviate negative impact; and identifies best practices.

5. The report makes seven recommendations, five of which (71 per cent) UNDP and UNFPA have accepted, and which either have been or are being implemented. For instance, UNFPA continues to develop flexible funding modalities such as thematic funding and pooled funding. UNDP has enhanced its cost-recovery policy for activities funded through non-core resources (decision 2007/18).

6. Neither UNDP nor UNFPA supported the recommendation to establish an inter-governmental working group to develop proposals for a voluntary indicative scale of contributions for core resources, based on the model adopted by the United Nations Environment Programme. While recognizing that the recommendation has some merit, UNFPA believes that its fund-raising approaches are very solid and the introduction of an indicative scale would not add value. UNDP cautioned against a 'one size fits all' approach to securing adequate, predictable core resource levels, and reiterated the need to recognize ongoing discussion at the country level with regard to the coherence of the overall governance and funding structures of the United

Nations development system. On the recommendation to develop a corporate resource mobilization strategy for consideration and approval by the legislative body, UNFPA has had a resource mobilization strategy in place since 2006, key elements of which are contained in the UNFPA strategic plan, 2008-2011. UNDP has had experience with its second multi-year funding framework (MYFF, 2004-2007). For the 2004-2007 period, UNFPA raised more core and non-core resources than had been envisaged in the MYFF, 2004-2007.

B. United Nations system staff medical coverage (JIU/REP/2007/2)

7. This report provides an overview of United Nations system staff medical coverage, and suggests ways of dealing with the emerging challenges to be faced by its health insurance schemes. These challenges result from the soaring cost of medical coverage and the need to guarantee adequate medical coverage to staff and retirees and their dependants in the context of "zero budget growth" practices adopted by the United Nations system. The report makes seven recommendations, three of which are not relevant to UNDP and UNFPA. The other four will be considered by the Executive Board.

8. Both UNDP and UNFPA agree that staff health insurance should be considered an integral part of the common system, and that the scope of coverage, conditions of eligibility and medical benefits should be harmonized across the United Nations system.

9. UNDP and UNFPA welcome the recommendation to request the International Civil Service Commission to undertake periodic reviews with a view to making recommendations to the General Assembly.

10. On the recommendation to harmonize the existing health insurance schemes, initially at the level of the duty station and, in the longer term, across the common system, UNFPA is already harmonized with UNDP with regard to health insurance for locally-recruited staff. At headquarters, UNDP and UNFPA participate in the larger United Nations health plan, under which staff are given a range of options. The current 'cafeteria' approach (offering a choice of health-care providers) works best for individual participants, since health-care providers vary in their reach and coverage, and in the level of service they provide.

11. UNDP and UNFPA welcome proposals for periodic actuarial studies to determine the extent of accrued after-service health insurance (ASHI) liabilities and their disclosure in the financial statements. Since the 2000-2001 biennium, UNDP has made accounting accruals of $54 million per biennium. It has disclosed its accrued ASHI liabilities (based on actuarial studies conducted jointly with United Nations Secretariat) in its audited financial statements. UNFPA has started funding the ASHI liability by imposing a 4 per cent charge on payroll, which is consistent with the recommendation of the report. For prior-year liabilities, UNFPA has set aside funds from its carryover balance. This is consistent with the recommendation that organizations should utilize the "unspent balance of any appropriations from the regular budget". So far, UNFPA has funded $22 million through its carryover balance. UNDP and UNFPA note the

recommendation that the General Assembly explore the establishment of a common fund to pool ASHI resources, which can then be invested in a manner similar to the assets of the United Nations Joint Staff Pension Fund.

12. UNFPA will continue to work with other organizations, through the mechanism of the Chief Executives Board human resources network, on issues of staff well-being (which includes medical coverage).

C. Age structure of human resources in the organizations of the United Nations system (JIU/REP/2007/4)

13. This report examines the age structure of the staff across the United Nations system organizations, to assess the overall dimensions of the ageing of staff, its impact on human resources management policies – including succession planning – and its financial implications.

14. The report makes eight recommendations. Seven of them (88 per cent) have been accepted, and one is considered not relevant to UNFPA. This is the same situation as that of UNDP.

15. Three of the accepted recommendations are being implemented, and the remaining four will be taken into consideration in a succession planning framework to be finalized in 2008. That framework will lead to the development of recruitment, career development and retention strategies that will ensure that UNFPA can attract and retain a high-quality, diverse workforce. UNDP, through its talent management programme, aims to place talented individuals into the right opportunities at an appropriate pace over the span of their careers. UNDP has several programmes in place to encourage an influx of young professionals. These include the Management Training Programme – followed by its successor, the Leadership Development Programme – and the Junior Professional Officers programme.

16. To reduce the risks associated with prolonged vacancies, staffing trends are reviewed regularly by senior management and actions are monitored to manage vacancies proactively and effectively. In anticipation of vacancies due to retirement, UNFPA has established rosters of pre-screened candidates for key positions such as representatives, deputy representatives and operations managers. Creation of a number of entry-level professional positions for motivated, skilled young people will support the mission of the restructured UNFPA.

17. When considering candidates for all posts, the new UNFPA personnel policy emphasizes competency, proficiency and other qualifications (such as education) over years of experience. Competency-based recruitment and selection result in a better match between the qualifications and competencies of the candidate and the requirements of the post. UNDP provides its staff with the opportunities and resources for career advancement through its learning management system and its staff professionalization programme.

D. Knowledge management in the United Nations system (JIU/REP/2007/6)

18. This evaluation examines how the Secretariat, funds and programmes share knowledge, within and among themselves, both generally and in the context of the Millennium Development Goals. Unfortunately, neither UNDP nor UNFPA was among the organizations surveyed by JIU for the purpose of this report, though both organizations have experience and have made significant progress in this area in recent years. The report makes five recommendations, three of which have been accepted, while the other two were directed to the Chief Executives Board.

19. UNDP has benefited from its experience in establishing a corporate "knowledge-management roadmap" and a policy support unit to promote knowledge-management policies and practices across its core practice areas, including the implementation of "communities of practice" through its practice networks, connecting UNDP staff and experiences globally, and encouraging knowledge-sharing among United Nations organizations. UNFPA has a major focus on knowledge-sharing and management, and has done ground-breaking work in that area. Of particular note is the methodology and system of knowledge assets developed for capturing and sharing distilled experiential knowledge gained, including lessons learned, from UNFPA-supported programmes and their evaluations. UNFPA has also developed an online institutional document repository – DocuShare – to provide all staff with easy access to UNFPA substantive reports, operational documents and publications. Another notable achievement is the establishment of a knowledge-sharing competency as part of the UNFPA staff performance appraisal and development system.

E. Liaison offices in the United Nations system (JIU/REP/2007/10)

20. This report examines the roles of liaison offices in the United Nations system and suggests criteria and benchmarks for assessing their effectiveness. The report makes eight generic recommendations, which UNDP supports. The report is not relevant to UNFPA.

21. Several of the recommendations are already in place in the UNDP liaison offices, including: optimizing skill-sets of staff; providing opportunities for staff learning; and the optimal use of modern technologies to share knowledge and foster cohesion.

III. Status of UNDP and UNFPA implementation of JIU recommendations in 2005-2006

22. In accordance with General Assembly resolution A/60/748 requesting the JIU to enhance dialogue with participating organizations and thereby strengthen the follow-up of the implementation of its recommendations, the JIU requested UNDP and UNFPA to provide information on the follow-up to recommendations issued in 2005 and 2006. Annexes 2 and 3 list 15 JIU reports issued during the period 2005-2006, 10 of which were relevant to UNFPA and 11 to UNDP.

23. Of the 105 recommendations issued by JIU in 2005-2006, 29 were directed specifically to funds and programmes, and were hence relevant to UNDP and/or UNFPA. Of those relevant to and accepted by UNDP and UNFPA, all have either been implemented or are being pursued. The remaining recommendations, which are specifically directed at the General Assembly, the Secretary-General or the legislative bodies, are taken up by the appropriate entities.

Annex 1. Reports issued by the Joint Inspection Unit in 2007

Report symbol	Name of report	Number of recommen-dations	Relevant to UNDP or UNFPA
JIU/REP/2007/1	Voluntary contributions in United Nations system organizations. Impact on programme delivery and resource mobilization strategies	7	Yes
JIU/REP/2007/2	United Nations system staff medical coverage	7	Yes
JIU/REP/2007/3	Review of the Working Capital Fund in the World Meteorological Organization (WMO)	6	No
JIU/REP/2007/4	Age structure of human resources in the organizations of the United Nations system	7	Yes
JIU/REP/2007/5	Review of management and administration in the International Civil Aviation Organization (ICAO)	14	No
JIU/REP/2007/6	Knowledge management in the United Nations system	5	Yes (see note 1)
JIU/REP/2007/7	Review of management and administration in the International Maritime Organization (IMO)	11	No
JIU/REP/2007/8	Funding and staffing of the Office of the United Nations High Commissioner for Human Rights	8	No
JIU/REP/2007/9	Review of the national competitive recruitment examination as a recruitment tool	9	No
JIU/REP/2007/10	Liaison offices in the United Nations system	8	Yes (see note 2)

Note 1: UNDP and UNFPA were not included in the organizations surveyed by JIU.
Note 2: Relevant to UNDP only.

Annex 2. Reports issued by the Joint Inspection Unit in 2006

Report symbol	Name of report	Relevant to UNDP/UNFPA
JIU/REP/2006/1	Evaluation of results-based budgeting in peacekeeping operations	
JIU/REP/2006/2	Oversight lacunae in the United Nations system	Yes
JIU/REP/2006/3	Follow-up to the management review of the Office of the United Nations High Commissioner for Human Rights	
JIU/REP/2006/4	A second review of implementation of headquarters agreements concluded by United Nations system organizations: provision of headquarters premises and other facilities by host countries	Yes
JIU/REP/2006/5	Towards a United Nations humanitarian assistance programme for disaster response and reduction: lessons learned from the Indian Ocean tsunami disaster.	Yes
JIU/REP/2006/6	Results-based management in the United Nations in the context of the reform process	Yes
JIU/REP/2006/7	Staff mobility in the United Nations	Yes

Annex 3. Reports issued by the Joint Inspection Unit in 2005

Report symbol	Name of report	Relevant to UNDP/UNFPA
JIU/REP/2005/1	Review of management and administration at the World Intellectual Property Organization (WIPO): budget, oversight and related issues	No
JIU/REP/2005/2	Some measures to improve overall performance of the United Nations system at the country level. Part I: a short history of United Nations reform in development	Yes
JIU/REP/2005/3	Policies of United Nations system organizations towards the use of open-source software in the secretariats	Yes
JIU/REP/2005/4	A common payroll for United Nations system organizations	Yes
JIU/REP/2005/5	Review of the Management, Administration and Activities of the Secretariat of the United Nations Convention to Combat Desertification (UNCCD)	Yes (to UNDP only)
JIU/REP/2005/6	External review of the implementation of strategic budgeting within a results-based management framework in the International Labor Organization (ILO)	No
JIU/REP/2005/7	Policies of United Nations system organizations towards the use of open-source software for development	Yes
JIU/REP/2005/8	Further measures to strengthen United Nations system support to the New Partnership for Africa's Development (NEPAD)	Yes
JIU/REP/2005/9	Common services in Vienna: buildings management	No